

ROUTING AND RECORD SHEET

SIS file

SUBJECT: (Optional)

Cabinet Item on the Senior Executive Service Bonus System

FROM:

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D/PPPM

5E-58 Hqs.

EXTENSION

NO.

DATE

15 April 1981

TO: (Officer designation, room number, and building)

DATE

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OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. DDCI

Attached are notes on the SIS Rank Stipend and Performance Award system for your use in preparing for Thursday's Cabinet Meeting.

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Harry E. Fitzwater

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-OPPPM [redacted] ksn (15 Apr 81)

FORM 610 USE PREVIOUS EDITIONS

NOTES FOR THE DDCI

CABINET ITEM ON THE SENIOR EXECUTIVE SERVICE BONUS SYSTEM

BACKGROUND

25X1 1. Although the Central Intelligence Agency (CIA) was exempted from the Senior Executive Service (SES) provision of the Civil Service Reform Act, CIA studied applicability of the SES concept for this Agency. The Director of Central Intelligence subsequently approved on 1 October 1979 a Senior Intelligence Service (SIS) similar to the SES. Entry into the SIS system for eligible employees was effected 1 November 1979. []

25X1 2. CIA's SIS system closely follows the general purposes and principles provided for in the Civil Service Reform Act of 1978. In CIA's system, however, both managers and specialists are included. In addition, SIS positions and members are not classified career or non-career as is the case in the SES system. []

SYSTEM

25X1 The 1980 SIS Rank Stipend and Performance Award Procedure was consistent with congressional and Office of Personnel Management (OPM) constraints and guidance on the number, distribution and amount of rank stipends and performance awards which could be granted. The principal features are outlined as follows: []

a. All SIS members were eligible and were considered for stipends and performance awards.

b. Current year performance, based on the Advance Work Plan (AWP) and evaluated in the Performance Appraisal Report (PAR), was the basis for award consideration. The AWP, developed jointly by SIS officer and supervisor, established goals and objectives for the performance year. Importantly, it prescribed performance standards. The PAR evaluated achievements by specific duties and overall performance. Review of these two key documents during the selection process for performance awards provided confidence that the goals of civil service reform were met by this Agency. An overall PAR rating of six or higher on a scale of seven was required for either stipend or award consideration.

c. Allocations based on SIS on-duty strength were given to the Directorates and O/DCI reflecting the maximum number of SIS 1-4 officers who could be recommended for stipends or awards. Allocation guidance on the number and distribution of stipends and awards to be recommended was based on 20 percent of SIS officer strength. Based on current congressional and OPM constraints, rank stipends could be granted to not more than three percent of SIS officers, and performance awards to not more than 20 percent.

~~SECRET~~

d. A separate award allocation, in addition to the allocation for careerists, was given to each Directorate and the O/DCI for assigned SIS officers from outside the host career service.

e. In addition to allocations, the DCI/DDCI maintained a reserve which could be used to recognize organizational accomplishment and to resolve special stipend and award cases.

f. The current supervisor was responsible for initiating a stipend/award action sheet on each SIS officer at the time the PAR was prepared. The reviewing officer's concurrence with the supervisor's recommendation was recorded on the action sheet, as was the results of reviewing boards' deliberations. Reasons for non-concurrence were also recorded on the action sheets.

g. Paperwork required was limited to the current AWP, PAR and the stipend/award action sheet. A memorandum accompanied stipend recommendations with any additional justifying information not covered in the current PAR.

h. Senior Resource Boards (SRB) in each Directorate and the O/DCI, consisting of at least three officers senior to those being considered, reviewed and prioritized stipend and award recommendations. In the case of the O/DCI, one SRB considered all recommendations on the SIS 1-4 officers serving in the various independent offices. Due to the limited number of SIS-5s and -6s, one member of all SRBs considering SIS-4s was appointed by the DCI/DDCI from outside the Directorate or O/DCI.

i. All rank stipends and performance awards were approved by the DCI.

RESULTS

25X1 1. In the first awards cycle, [] SIS officers at CIA were recognized
25X1 for performance achievement. Total awards amounted to []. In RMS/CTS,
25X1 six officers received awards for a total amount of []. Other than
Distinguished and Meritorious stipends, awards ranged from 7% to 20% of base
pay. All officers were considered for awards including those who retired
during the year. Achievements of lower ranking SIS officers were especially
noteworthy. Significantly, 70% of those receiving awards were officers
with rank below that of Office Director (SIS-4). Moreover, this group
received six of eleven Meritorious and one of two Distinguished stipends.
Distribution of the awards by SIS level and percentage are shown in the
attachments. []

25X1 2. The decision process on who received awards and how the awards
were allocated met with general acceptance within the entire CIA population.
The only regret thus far with the SIS bonus program was that not all of
those deserving of special recognition were awarded because of the 20%
limitation. []

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Next 1 Page(s) In Document Denied